

**CITY OF MATTOON, ILLINOIS
CITY COUNCIL AGENDA
SPECIAL COUNCIL MEETING
October 14, 2009
5:00 P.M.**

5:00 P.M. Business Meeting

Pledge of Allegiance

Roll Call

Electronic Attendance

Motion - Adopting Ordinance 2009-5282, Approving a Redevelopment Agreement by and between the City of Mattoon and Sontejroh Corporation in connection with the South Route 45 Redevelopment Project Area. (Cline)

Recess to closed session pursuant to the Illinois Open Meetings Act for the purpose of considering the employment, performance or dismissal of employees of the municipality (5 ILCS 120(2)(c)(1)):

Reconvene

Motion – Approving and authorizing an Administrative Services contract with John D. Kolata. (Cline)

Adjourn.

NEW BUSINESS:

CITY OF MATTOON, ILLINOIS

ORDINANCE NO. 2009-5282

**AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF MATTOON, ILLINOIS AND
SONTEJROH CORP., IN CONNECTION WITH THE SOUTH ROUTE 45
REDEVELOPMENT PROJECT AREA**

WHEREAS, Sontejroh Corp. (the “**Developer**”), has submitted a proposal to the City of Mattoon, Illinois (the “**Municipality**”) for redevelopment of a part of the Municipality's South Route 45 Redevelopment Project Area (the “**Redevelopment Project Area**”); and, thereafter, the Municipality and the Developer have engaged in negotiations related to a Redevelopment Agreement (including all exhibits and attachments in connection therewith, the “**Redevelopment Agreement**”) concerning redevelopment incentives and assistance related to the preservation, development and redevelopment of a part of the Redevelopment Project Area. **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MATTOON, COLES COUNTY, ILLINOIS**, as follows:

Section 1. Approval. The Redevelopment Agreement, in substantially the form thereof presented before the meeting of the City Council at which this ordinance is adopted, shall be and is hereby ratified, confirmed and approved, and the Mayor and City Clerk are authorized to execute and deliver the Redevelopment Agreement for and on behalf of the Municipality; and upon the execution thereof by the Municipality and the Developer, the appropriate officers, agents, attorneys and employees of the Municipality are authorized to take all supplemental actions, including the execution and delivery of related supplemental opinions, certificates, agreements and instruments not inconsistent with the Redevelopment Agreement, desirable or necessary to implement and otherwise give full effect to the Redevelopment Agreement. Upon full execution thereof, the Redevelopment Agreement shall be attached as an exhibit to this ordinance. The Redevelopment Agreement is to replace the Redevelopment Agreement dated August 17, 2007, by and between the Municipality and the Developer. This shall also constitute a “reimbursement” action under Section 1.150-2 of the Federal Income Tax Regulations.

Section 2. Bid Waiver. Pursuant to Section 8-9-1 of the Illinois Municipal Code bidding requirements, if any, related to the Redevelopment Agreement and related documents and related contracts entered into or to be entered into shall be and are hereby waived. The Developer shall be responsible for compliance with applicable law related to the Redevelopment Agreement, including without limitation the Prevailing Wage Act.

Section 3. Effective. Under Section 4-5-13 of the Illinois Municipal Code this Ordinance remained on file with the City Clerk for public inspection, in the form in which it

finally passed, at least one week before final passage. This ordinance shall be in full force and effect 10 days after its adoption and publication in pamphlet form in the manner provided by law.

Upon motion by _____, seconded by _____, adopted this _____ day of _____, 2009, by roll call vote, as follows:

AYES (Names): _____

NAYS (Names): _____

ABSENT (Names): _____

Approved this _____ day of _____ 2009.

(SEAL)

David W. Cline
Mayor, City of Mattoon, Coles County, Illinois

Attest:

Approved as to Form:

Susan J. O'Brien
City Clerk, City of Mattoon, Coles County, Illinois

J. Preston Owen
City Attorney & Treasurer, City of
Mattoon, Coles County, Illinois

Recorded in the Municipality's Records on _____, 2009.

REDEVELOPMENT AGREEMENT

by and between the

CITY OF MATTOON, ILLINOIS,

And

**SONTEJROH CORP.,
as Developer**

dated as of

November 1, 2009

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EXHIBIT D	Concept Site Plan
EXHIBIT E	Redevelopment Activities/Qualified Project Costs
EXHIBIT F	Form of TIF Note

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this “*Agreement*”) dated as of November 1, 2009, by and between the **CITY OF MATTOON, ILLINOIS**, a municipal corporation of the State of Illinois (the “*Municipality*”), and **SONTEJROH CORP.**, an Illinois corporation (the “*Developer*”). (All capitalized terms used herein, other than proper nouns, shall have the meanings ascribed to them in **Article I** of this Agreement, except as they may be defined elsewhere in this Agreement.)

RECITALS

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, Chapter 65, Sections 5/11-74.4-1 through 5/11-74.4-11 of the Illinois Compiled Statutes, as supplemented and amended (the “*TIF Act*”), the City Council, (i) by Ordinance Nos. 2007-5229, 2007-5230, and 2007-5231 adopted on April 17, 2007 (as supplemented and amended, collectively the “*Approving Ordinances*”), (i) approved a redevelopment plan and project titled “Tax Increment Financing Redevelopment Plan and Project” (the “*Redevelopment Plan*,” and includes the related “*Redevelopment Project*”), (ii) designated the “South Route 45 Redevelopment Project Area” within the Municipality (the “*Redevelopment Area*”), and (iii) adopted tax increment allocation finance (“*TIF*”) for the Redevelopment Area, all as set forth in the Approving Ordinances and in accordance with the requirements of the TIF Act and (ii) by Ordinance No. 2007-5232, adopted April 17, 2007 (the “*BD Ordinance*”), adopted the “Business District Plan, South Route 45” (the “*BD Plan*”), under Business District Development and Redevelopment (65 ILCS 5/11-74.3-1 *et. seq.*, as supplemented and amended, the “*BD Act*”); and

WHEREAS, in furtherance of the redevelopment of a part of the Redevelopment Area, the Developer proposes to undertake the redevelopment of a portion of the Redevelopment Area (the “*Proposal*”) constituting approximately 7.5 acres on a part of the Redevelopment Area to be owned, acquired, or otherwise controlled by the Developer and developed and redeveloped as provided in this Agreement (the “*Development Property*,” as described in Exhibit A to this Agreement); and

WHEREAS, the Developer desires to redevelop the Development Property and make certain infrastructure improvements all as set forth in the Redevelopment Plan and in this Agreement; and

WHEREAS, pursuant to provisions of the TIF Act, the Municipality is authorized to make and enter into all contracts necessary or incidental to the implementation and furtherance of the Redevelopment Plan, to pay directly or to issue one or more TIF Notes (each a “*TIF Note*”) as evidence of the Municipality’s special and limited obligation to pay certain redevelopment project costs incurred in furtherance of the Redevelopment Plan (the “*Redevelopment Project Costs*”), and to apply TIF Revenues and/or to pledge certain TIF Revenues to the payment of the TIF Notes; and

WHEREAS, in accordance with the Redevelopment Plan and the TIF Act, the City Council approved and adopted Ordinance No. 2009-5282 on October 14, 2009, authorizing this Agreement; and

WHEREAS, the City Council hereby ratifies and affirms its determination that the approval of the Redevelopment Plan and the BD Plan and the fulfillment generally of this Agreement are in the best interests of the Municipality, and the health, safety, morals and welfare of its residents, and in accord with the public purposes set forth in the Redevelopment Plan, the BD Plan and the TIF Act.

AGREEMENT

Now, therefore, in consideration of the above premises and the promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, each party hereto hereby agrees as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. As used in this Agreement, the following words and terms shall have the following meanings:

“Agreement” means this Redevelopment Agreement, as the same may be from time to time in writing modified, amended, or supplemented by the Municipality and the Developer.

“Applicable Building Codes” *shall have the meaning in paragraph 3.3 of this Agreement.*

“Authorized Developer Representative” means the individuals executing this Agreement (or such other persons, designated in writing filed with the City Clerk) who shall have full authority on behalf of the Developer to execute all further and supplemental documents, instruments and agreements, to give all consents and approvals, and to take all further supplemental actions, to give full effect for the Developer to this Agreement.

“Authorized Municipal Representative” means the Mayor (or the Mayor’s designee in writing filed with the City Clerk), who shall have full authority on behalf of the Municipality to the extent lawful to execute all further and supplemental documents, instruments and agreements, to give all consents and approvals, and to take all further supplemental actions, to give full effect for the Municipality to this Agreement.

“Available Revenues” means, net of all amounts constituting Surplus, as herein defined, all amounts constituting ad valorem taxes, if any, arising from the levies upon taxable real property in the Development Property by taxing districts and tax rates determined in the manner provided in paragraph (c) of Section 11-74.4-9 of the TIF Act attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Development Property over and above the initial equalized assessed value of each property in the Development Property Area shall be allocated to and when collected shall be paid to the Municipality’s treasurer who shall credit such taxes to the **“Special Tax Allocation Fund”** to be deposited into the Development Account or the Municipality Account, as the case may be, of the Special Allocation Fund in accordance with this Agreement, as provided in **paragraph 5.1** of this Agreement.

“BD Act” means Business District Development and Redevelopment, 65 ILCS 5/11-74.3-1 *et. seq.*, as supplemented and amended.

“BD Costs” means Business District Costs under the BD Plan.

“BD Ordinance” means Ordinance No. 2007-5232 adopted April 17, 2007.

“BD Plan” means the Business District Plan approved under the BD Ordinance.

“Business District” means the South Route 45 Business District designated under the BD Act and the BD Ordinance.

“Certificate of Qualified Project Costs” means one or more documents substantially in the form of **Exhibit C**, attached hereto and incorporated herein by reference, delivered by the Developer to the Municipality in accordance with this Agreement and evidencing Qualified Project Costs incurred in furtherance of implementation of the Redevelopment Activities.

“Certificate of Substantial Completion” means one or more documents substantially in the form of **Exhibit B**, attached hereto and incorporated herein by reference, delivered by the Developer to the Municipality in accordance with this Agreement and evidencing the Developer’s satisfaction of all obligations and covenants to implement all or the specified functional portion of the Redevelopment Activities.

“Commencement” **“commence”** and similar terms with respect to the Development Project means that (i) there are fully executed contract(s) for the complete construction of the Private Development; and (ii) the Developer has financing for the entire Private Development subject to no conditions precedent to any claims thereon; and (iii) that the contractor for the Private Development has fully mobilized on the Development Property.

“Concept Site Plan” means a preliminary plan sheet, attached to this Agreement as **Exhibit D** and incorporated by reference herein, depicting the conceptual program for the Private Development and other improvements to be constructed in accordance with the Redevelopment Plan and this Agreement.

“Construction Advances” means the amount of any Certificate of Qualified Project Costs delivered by the Developer to the Municipality in accordance with **paragraph 5.1.3** of this Agreement, which amount represented by such Certificate of Qualified Project Costs has been approved by the Municipality and for which TIF Notes or other payment or reimbursement shall be provided by the Municipality, subject to the limitations set forth in this Agreement.

“Developer” means Sontejroh Corp., an Illinois corporation, or its successors or assigns in interest as authorized by this Agreement.

“Development Account” means the account by that name in the Special Allocation Fund related to the Development Property.

“Development Inspector” means the Municipality’s applicable code enforcement personnel.

“Development Plans” means plans, drawings, specifications, cost estimates, construction schedules and related documents for the acquisition, construction and installation of the Development Project and related, together with all supplements, amendments or corrections thereto, submitted by the Developer in accordance with this Agreement.

“Development Project” means the Private Development Infrastructure and related facilities and improvements described in the Concept Site Plan, and this Agreement, including without limitation the implementation of the Redevelopment Activities within the Development Property.

“Development Property” means the real property owned, acquired or otherwise controlled by the Developer, constituting approximately 7.5 acres, on which the Private Development is to be constructed, located in the Redevelopment Area and in the Business District, as further described in **Exhibit A**, attached hereto and incorporated herein by reference.

“Development TIF Notes” or ***“TIF Notes”*** means, if any, one or more of the Promissory Notes issued from time to time by the Municipality pursuant to and subject to this Agreement in substantially the form as set forth in **Exhibit H**, attached hereto and incorporated herein by reference, to evidence the Municipality’s special and limited obligation to pay or reimburse the Developer for Qualified Project Costs incurred by the Developer on behalf of the Municipality in accordance with this Agreement and the TIF Act.

“Governing Body” means the Municipality’s City Council.

“Infrastructure” means the acquisition, construction and installation by the Developer of public infrastructure, facilities and improvements within or adjacent to the Development Property, as follows: all generally applicable public facilities, improvements and related costs, including water, sanitary sewer, streets, curbs, gutters, water drainage and street lighting, to be in compliance with the Municipality’s generally applicable subdivision and other applicable development ordinances, codes and regulations, as shown in the Development Plans.

“Material Changes” means those changes that could reasonably be expected to result in a decrease of at least twenty percent (20%) of the aggregate amount of Available Revenues generated within the Development Property.

“Municipal Attorney” means the Municipality’s duly selected City Attorney or any attorney at law or a firm of attorneys acceptable to the Municipality in general matters pertaining to municipal law and duly admitted to the practice of law before the highest court of the State of Illinois.

“Municipal Incentive” shall have the meaning in **paragraph 3.1.2**.

“Municipal Infrastructure” means, if any, the acquisition, construction and installation by the Municipality of public infrastructure, facilities and improvements within or adjacent to the Development Property, under this Agreement.

“Municipality” means the City of Mattoon, Illinois, a municipal corporation organized and existing under the laws of the State of Illinois.

“Municipality Account” means the account by that name within in the Special Allocation Fund established by this Agreement.

“Municipality Approvals” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, building permits, storm water management plan approvals or other subdivision, zoning, building or similar approvals required for the implementation of the Development Plans and the Development Project and consistent with the TIF Act, the Concept Site Plan, and this Agreement.

“Order and Timing of Payment of Municipal Financial Incentives” means to the extent that the Developer has secured proper title to the Development Property to be redeveloped and has appropriately documented such expenditures and property title according to the Redevelopment Agreement, the Municipality shall pay the TIF Note, to be held by the Developer against its advance of funds for up to \$750,000 of qualifying Redevelopment Project Costs, upon the Municipality’s approval of the Developer’s progress in achieving substantial completion of the Development Project, which approval shall not be unreasonably withheld.

“Paying Agent” means, for Notes, the City Treasurer, or his/her designee.

“Payment Date” means each June 1 (or such date as extended by the number of days after the date required by applicable law for the issuance of general property tax bills in Coles County that such bills are actually issued) and December 1, or if either of such days is not a business day, the first business day thereafter, beginning with the first Payment Date after the Municipality’s acceptance of a Certificate of Substantial Completion until the earlier of repayment or the maturity date of the TIF Notes.

“Private Development” means the private commercial and other trade business facilities to be acquired, constructed and installed as a part of the Development Project on the Development Property by the Developer, as follows: (i) a first class hotel with not less than 84-room capacity, with banquet and other appurtenant facilities; and (ii) an attached 4,000 net sq. ft. banquet center.

“Qualified Project Costs” means only those costs associated with the Redevelopment Activities that are qualified under **Article IV** hereof, which shall not exceed the aggregate sum set forth in **Exhibit E**, attached hereto and incorporated herein by reference.

“Redevelopment Area” means the Municipality’s South Route 45 Redevelopment Project Area as described in the Redevelopment Plan.

“Redevelopment Activities” means the Municipal Infrastructure to be acquired, constructed and installed by the Municipality, if any, and the Infrastructure, if any, and the Private Development, to be acquired, constructed and installed by the Developer set forth and as more fully described in **Exhibit E**, attached hereto and incorporated herein by reference, and as incorporated in, the Concept Site Plan, and Development Plans.

“Redevelopment Plan” means the redevelopment plan titled the “Redevelopment Plan and Project” for the Redevelopment Area duly approved and adopted by the City Council pursuant to the Approving Ordinances on April 17, 2007, and as such Redevelopment Plan has been amended and may be amended from time to time.

“Redevelopment Project” means the redevelopment project described in the Redevelopment Plan.

“Redevelopment Project Costs” means and includes, subject to this Agreement, the sum total of all reasonable or necessary costs incurred or estimated to be incurred in undertaking Redevelopment Activities and any such costs incidental to the Redevelopment Plan and the Redevelopment Project, which include, subject to the Redevelopment Plan, the “redevelopment project costs” under Section 11-74.4-3(8) of the TIF Act in connection with the acquisition, construction, and installation of the Development Project in the manner provided by the TIF Act and **paragraph 4.8** of this Agreement.

“Special Allocation Fund” means the “Special Tax Allocation Fund” for the Municipality’s Redevelopment Project Area.

“Special TIF Counsel” means an attorney at law or a firm of attorneys acceptable to the Municipality of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“Surplus” means that portion of TIF Revenues declared to be (or required by applicable law to be declared surplus or paid) surplus or paid (i) by the Municipality or (ii) by operation of applicable law, and to be passed through to each affected taxing district on a pro rata basis or otherwise as required by applicable law.

“TIF Act” means the Tax Increment Allocation Redevelopment Act, Chapter 65, Sections 5/11-74.4-1 through 5/11-74.4-11 of the Illinois Compiled Statutes, as supplemented amended.

“TIF Note” means each note obligation of the Municipality, in substantially the form set forth in **Schedule F**, which shall bear interest at not to exceed the interest rate of the Developer’s financing(s) for the Infrastructure.

“TIF Revenues” means all moneys constituting incremental taxes derived from the Redevelopment Project Area on deposit in the designated accounts of the Special Allocation Fund in accordance with the Redevelopment Plan and the TIF Act.

ARTICLE II. DEVELOPER DESIGNATION

2.1 Developer Designation. The Municipality hereby selects the Developer to serve as the Municipality’s agent in connection with the acquisition, construction and installation of the Redevelopment Activities on the Municipality’s part to be acquired, constructed and installed under this Agreement in accordance with (i) the TIF Act, (ii) the Redevelopment Plan, (iii) the Redevelopment Project, (iv) this Agreement, and (v) the Concept Site Plan. Any conflict among any of the aforementioned documents shall be resolved by giving preference to the documents in the foregoing order (i) – (v), with the TIF Act being given the highest preference.

2.2 Developer to Submit Costs. The Developer agrees to submit a requisition for payment by the Municipality of Qualified Project Costs as necessary to complete the Redevelopment Activities, all subject to the Developer’s right to abandon the Development Project and terminate this Agreement as set forth in **paragraph 7.1** of this Agreement. Without limiting the generality of the foregoing, simultaneously with the issuance of or endorsement of a draw upon one or more TIF Notes, the Developer shall advance to the Municipality an amount equal to the Qualified Project Costs which amount the Municipality shall either (i) immediately apply to such Qualified Project Costs or (ii) keep in a separate sub-account of the Developer Account of the Special Allocation Fund and which the Municipality shall use solely for the purpose of paying such costs incurred with respect to the related TIF Notes. All amounts so advanced to the Municipality by the Developer shall constitute Qualified Project Costs and shall be eligible for payment or reimbursement exclusively from the proceeds of TIF Notes issued in accordance with and subject to the provisions of **Article IV** and **Article V** of this Agreement.

2.3. TIF Payments. The Developer shall not receive any TIF payments hereunder or payment on any TIF Note until timely substantial completion of the Private Development under

paragraph 3.1.1. The Developer shall fund the TIF Notes from time to time to advance funds for Qualified Project Costs under this Agreement.

ARTICLE III. ACQUISITION AND CONSTRUCTION OF THE DEVELOPMENT PROJECT

3.1 Development Project and Schedules. The Developer shall commence its obligations under this Agreement with respect to the acquisition, construction, and installation of its Redevelopment Activities and the Development Project.

3.1.1. The Developer has commenced and completed or will complete the acquisition, construction and installation of the Development Project in accordance with a development schedule, as follows:

<u>Activity</u>	<u>Commencement Date</u>	<u>Completion Date</u>
Hotel/Motel Construction	4/30/09	3/31/10
Banquet Facility Construction	4/30/09	6/30/10

3.1.2. Development Project sources & uses of funds:

<u>Activity</u>		<u>Costs</u>
Real Estate Acquisition		\$ 630,000
Hotel Renovation		\$ 2,019,100
Interest Reserve		\$ 270,000
Franchise Fee		\$ 20,000
Furniture, Fixtures, & Equipment		\$ 783,540
Design/Legal/Other Soft Costs		\$ 202,460
Construction (Rehabilitation/Remodel/Repair)		\$ 215,000
Contingency		\$ 360,000
	Total:	\$ 4,500,100
<u>Source of Funds:</u>		
Developer Equity		\$ 830,100
Developer Financing		\$ 2,920,000
Municipal Incentive (Under this Agreement)		\$ 750,000
	Total:	\$ 4,500,100

3.2 Concept Site Plan.

3.2.1 Approval of Concept Site Plan. The Concept Site Plan attached hereto as **Exhibit D** is hereby approved.

3.2.2 Changes. During the progress of the Redevelopment Activities and Development Project, the Developer and the Municipality may authorize changes to the Concept Site Plan or any aspect thereof as may be in furtherance of the general objectives of the Redevelopment Plan and this Agreement and as site conditions or other issues of feasibility may dictate or as may be required to meet the reasonable requests of prospective tenants or owners or as may be necessary or desirable in the sole determination of the Developer and the Municipality to enhance the economic viability of the Development Project; provided, however, that the Developer may not make any Material Changes to the Concept Site Plan, whether individually with respect to any phase or in the aggregate, without the advance written consent of the Municipality.

3.3 Developer to Undertake the Development Project. The Developer, as the agent of the Municipality in connection with Infrastructure, shall undertake the Redevelopment Activities, and shall commence and complete the Development Project, in each case in accordance with the terms of this Agreement. The Developer shall undertake and complete the Redevelopment Activities and the Development Project in a good and workmanlike manner according to the schedule in paragraph 3.1.1. Except as otherwise expressly provided herein, the Developer shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment and construction of the Development Project, provided that the same shall, in any event, conform to and comply with the terms and conditions of the Concept Site Plan, the Redevelopment Plan and this Agreement, and all applicable state and local laws, ordinances and regulations, including without limitation applicable zoning, subdivision, land use, building, fire, environmental and other applicable development codes (collectively “**Applicable Building Codes**”), subject to any variances and governmental approvals.

3.3.1 Construction Contracts. The Developer may enter into one or more construction contracts to complete the Redevelopment Activities and the Development Project. Prior to execution of any acquisition or construction contract, the Developer shall provide satisfactory documentation to the Municipality evidencing that such contractor has agreed that it has no recourse against the Special Allocation Fund or any other Municipality funds and any recourse of any such contractor against the Municipality is limited to any mechanic’s lien rights such contractor may have against the Development Property or the Developer. Prior to the commencement of the Redevelopment Activities, the Developer shall obtain, or shall ensure that any such contractor obtain workers’ compensation, comprehensive public liability and builder’s risk insurance coverage in amounts customary in the industry for similar type projects and as provided in **paragraph 5.6** of this Agreement. Prior to commencement of the Redevelopment Activities or simultaneously with the execution and delivery of this Agreement by the Developer, whichever is later, the Developer shall deliver to the Municipality evidence of all insurance to be maintained by such contractor as required by this Section. Developer shall ensure that the insurance required is maintained by any such contractor for the duration of the implementation of the Redevelopment Activities.

Neither the Developer nor any contractor shall have any claim against the Special Allocation Fund or the Business District Tax Allocation Fund, except as expressly provided in this Agreement.

3.3.2 Compliance with Applicable Law. Prior to the execution of any contract with contractors for construction or installation in connection with the Redevelopment Activities pursuant to **paragraph 3.4.1** of this Agreement, the Developer shall comply with all applicable laws, including without limitation those laws pertaining to environmental, bidding and contracting, prevailing wages,

performance, labor and material payment bonds, and applicable Building Codes. Subject to the foregoing, the Developer, as the Municipality's agent with respect to the acquisition, construction and installation of the Infrastructure, may select such contractors as it deems fit.

3.4 Construction Plans. The Developer shall not commence any Redevelopment Activities without obtaining the approval of the Development Inspector of Development Plans relating to such Redevelopment Activities, as further provided in this **paragraph 3.4**.

3.4.1 Submittal of Construction Plans. The Developer shall submit Development Plans for approval by the Development Inspector prior to the initiation of the portions of the Redevelopment Activities contemplated by such Development Plans.

3.4.2 Standards. The Development Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Illinois and the Development Plans and all construction practices and procedures with respect to the Redevelopment Activities shall be in conformity with all applicable state and local laws, ordinances and regulations, including without limitation any performance, labor and material payment bonds required for the Redevelopment Activities. Development Plans shall be submitted for approval by the Development Inspector in sufficient completeness and detail to show that the Redevelopment Activities will be in general conformance with the Concept Site Plan and in accordance with the provisions of the Redevelopment Plan, the Redevelopment Project, the Redevelopment Plan and this Agreement. The Development Inspector may condition approval of Development Plans relating to Redevelopment Activities on the satisfaction of conditions of other applicable governmental agencies.

3.4.3 Review and Approval of Development Plans. The Development Inspector shall approve or reject in writing the Development Plans according to the standards set forth in **paragraph 3.4.2** of this Agreement within twenty-one (21) days after submittal by the Developer; otherwise, the Development Plans shall be deemed approved. The Development Inspector shall reject Development Plans only if, in the reasonable exercise of the Development Inspector's discretion, the Development Inspector finds that the Development Plans show that construction will not be in general conformance with the Concept Site Plan and in accordance with the provisions of the Redevelopment Plan and this Agreement. Any such rejection shall specify any and all deficiencies in the Development Plans relating to lack of conformity with the Concept Site Plan, the Redevelopment Plan or this Agreement and with Applicable Building Codes, ordinances and regulations; provided that the Development Inspector's failure to specify deficiencies in the Development Plans relating to the codes, ordinances and regulations of the Municipality shall not relieve the Developer of its obligations to perform the Redevelopment Activities in accordance therewith. Within thirty (30) days after the date the Developer receives written notice of the Development Inspector's rejection of the Development Plans referred to in the latest such notice, the Developer shall submit new or revised Development Plans. The provisions of this Section relating to approval, rejection and resubmittal of the Development Plans shall continue to apply to resubmittal of corrected Development Plans until the Development Plans have been approved by the Development Inspector. The Developer shall ensure that all construction work by the Developer or its agents or independent contractors pursuant to **Article III** of this Agreement shall be in substantial conformity with the Development Plans as finally approved by the Development Inspector.

3.5 Changes. During the progress of the Development Project, the Developer may make such reasonable changes, including, without limitation, modification of the construction schedule, including dates of commencement and completion within the limitations otherwise set forth in this Agreement, modification of the areas in which the Development Project is to be performed, relocation,

expansion or deletion of items, and such other changes to the Development Plans as site conditions or orderly development may dictate or as may be required to meet any reasonable requests of prospective tenants or purchasers of any portion of the Development Property, or as may be necessary or desirable to enhance the economic viability of the Development Project; provided that any such changes shall be in accordance with the general objectives of, and shall be in substantial conformity with, the Development Project as provided in the Concept Site Plan, the Redevelopment Plan, the Redevelopment Project, and this Agreement. Notwithstanding the foregoing, the Developer shall not make any changes pursuant to this Section that will result in a Material Change to the Concept Site Plan unless the Developer obtains the advance written consent of the Municipality pursuant to **Paragraph 3.2.2** of this Agreement.

3.6 Acquisition of Development Property. The Developer represents to the Municipality that, prior to the date of this Agreement, it has assembled all of the Development Property by negotiated purchase. The Developer has obtained all title commitments, inspections, tests, surveys and reports, hire and retain all experts, professionals, including attorneys or engineers and staff, and cause to be paid, pay or advance all acquisition costs as may be necessary to acquire the Development Property and to assure that the Development Property is appropriate for the Private Development.

3.7 Municipality Approvals. The Municipality agrees to cooperate with the Developer and to expeditiously process and timely consider all applications for Municipality Approvals as received, all in accordance with the applicable ordinances, codes and regulations of the Municipality and laws of the State of Illinois, and to take all further actions on Municipality Approvals (after processing in accordance with applicable laws and ordinances) as are consistent with the Concept Site Plan, the Redevelopment Plan, the BD Plan and this Agreement.

3.8 Certification of Substantial Completion. Promptly after substantial completion of all or a functional portion of the Redevelopment Activities in accordance with the provisions of this Agreement, the Developer shall so certify by furnishing to the Development Inspector a Certificate of Substantial Completion in the form of **Exhibit B** to this Agreement. Such certification by the Developer and acceptance by the Development Inspector shall be a conclusive determination of the substantial satisfaction of the Developer's agreements and covenants to implement, as applicable, all or the specified functional portion of the Redevelopment Activities. The accepted Certificate of Substantial Completion may be recorded by the Developer in the office of the Coles County Recorder. If the Development Inspector shall refuse or fail to accept such Certification, the Development Inspector shall, within fifteen (15) days after written request by the Developer, provide to the Developer a written statement stating in adequate detail in what respects the Developer has failed to complete the applicable Redevelopment Activities in reasonable accordance with the Concept Site Plan, the Redevelopment Plan, and/or this Agreement, or is otherwise in default, and what reasonable measures or acts the Developer must take or perform, in the opinion of the Development Inspector, to obtain such acceptance.

3.9 Refunding TIF Notes. Within 45 days of submission of a Certificate of Substantial Completion of the Private Development, and upon the Developer's written request, the Municipality will, as applicable, either (i) pay directly or reimburse the Developer for up to \$750,000 of Qualified Project Costs with respect to the Municipal Incentive under paragraph 3.1.2 from TIF Revenues or other legally available funds or (ii) refund the TIF Notes up to \$750,000 by applying proceeds of TIF revenue bonds (as the sale of which is arranged by the Developer).

3.10 Direct Funding. In lieu of the Developer advancing funds with respect to one or more TIF Notes (or draws), the Municipality reserves the right to advance fully a portion or all of the \$750,000 maximum amount under **paragraph 3.9**. In this event all rights of the Developer in and to any TIF

Revenues and in Business District revenues shall then terminate and be discharged and released as to payments.

ARTICLE IV. RELATED ACTIVITIES.

4.1 Related Municipal Activities.

4.1.1. Promotional. The Municipality will assist in promotional activities in connection with the attractions of participants and uses of tourism, convention, conference and hotel/motel facilities in the Mattoon/Charleston area.

ARTICLE V. COLLECTION AND USE OF TIF REVENUES

5.1 Special Allocation Fund. The Municipality agrees to maintain the Special Allocation Fund, including the following accounts and such further accounts as the Municipality may deem appropriate in connection with the administration of the Special Allocation Fund pursuant to this Agreement: **(A)** Development Account, and within it **(i)** with respect to each TIF Note, a debt service, **(ii)** a qualified project costs sub-account, and **(iii)** an interest subsidy sub-account; and **(B)** the Municipality Account. All TIF Revenues shall be credited to the Special Allocation Fund. The Available Revenues shall be those TIF Revenues attributable to the Development Property, less any amounts payable to the Municipality as otherwise provided in this Agreement. Available Revenues to pay **(x)** debt service on a TIF Note shall be deposited into the debt service sub-account; **(y)** Qualified Project Costs other than debt service or interest subsidy shall be deposited into the Qualified Projects Costs sub-account; and **(z)** interest subsidy under Section 11-74.4-3 (g) (ii) of the TIF Act shall be deposited into the interest subsidy sub-account. All TIF Revenues in excess of the required deposits to the Development Account shall be deposited into the Municipality Account. While any TIF Note is outstanding and unpaid, Available Revenue shall be deposited into the debt service sub-account, and otherwise shall be deposited into **(y)** or **(z)** above as the Developer directs, into **(y)** if there is no direction, and into the Municipality Account if bonds are issued under **paragraph 3.9** to refund the TIF Notes and/or the Municipality selects direct funding under **paragraph 3.10**.

5.2 Verification of Available Revenues. In the event and to the extent TIF Revenues are directly applied for the Municipal Incentive, on or before November 15 in each calendar year, commencing November 15, 2009 it shall be the sole responsibility of the Developer to provide to the Municipality true, correct and complete copies of real estate tax bills for each lot, block, tract and parcel constituting the Development Property for the levy year prior to the calendar year of each such November 15, together with evidence of payment. The failure of the Developer to provide any of the information required in this Agreement shall be considered a material default and breach of this Agreement and shall be sufficient cause for the Municipality to deny payments under this Agreement to or in respect of the Developer, which payments are expressly conditioned upon the receipt of the foregoing information, for the levy year with respect to such a failure. The Notice and cure provisions of **paragraph 6.2** of this Agreement shall not apply to this **paragraph 5.2**.

5.3 No Claim. Neither the Developer nor any contractor shall have any claim against the Special Allocation Fund or the Business District Tax Allocation Fund.

ARTICLE VI. GENERAL PROVISIONS

6.1 Assignment. The rights, duties and obligations of a party to this Agreement shall be assignable subject to prior written approval of the other party, which approval shall not be unreasonably withheld or delayed, provided that the Developer may not make any such assignment without the Municipality's written consent until completion of the Development Project at the times, in the manner and in the effect as provided in this Agreement.

6.2 Remedies. Except as otherwise specifically provided in this Agreement, in the event of any default in or breach of any term or condition of this Agreement by either party or any permitted successor or assign, the alleged defaulting or breaching party shall, upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, shall, in any event, within thirty (30) days after receipt of such notice, commence to cure or remedy such default. In case such cure or remedy is not taken or not diligently pursued or the default or breach is not cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to proceedings to compel specific performance by the defaulting or breaching party. Notwithstanding anything herein to the contrary. The sole remedy of the Developer in the event of a default by the Municipality under any of the terms and provisions of this Agreement shall be to institute legal action against the Municipality for specific performance or other appropriate equitable relief; and under no circumstances shall the Municipality be subject to any monetary liability or be liable for damages (compensatory or punitive) under the provisions, terms and conditions of this Agreement. Except as to the foregoing, the parties shall have all remedies with respect to this Agreement available under applicable law. Notwithstanding anything herein to the contrary, the Municipality shall be liable for no amount hereunder in excess of Available Revenues duly deposited into the Development Account.

6.3 Force Majeure. Neither the Municipality nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended, in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; condemnation; strike; lockout; civil disorder; war; restrictive government regulations; issuance of any permits and/or legal authorization by the governmental entity necessary to proceed with the Redevelopment Activities or any portion thereof; shortage or delay in shipment of material or fuel; inability to secure labor or materials within established budget limitations, including contingencies; acts of God; unusually adverse weather or wet soil conditions; adverse conditions affecting the work on the Development Property; or other like causes beyond the parties' reasonable control, including but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, the Development Project, this Agreement, or the TIF Notes; provided that such event of force majeure shall not authorize a delay hereunder of more than 60 days in any one calendar year without the approval of the other party, which approval shall not be unreasonably withheld or delayed, and any days unused in one calendar year shall not be carried over to increase the number of days of permitted delay in any subsequent calendar year. A party seeking to extend the time for performance of obligations pursuant to this Section shall notify the other party within ten (10) days of the event of delay caused by force majeure, and otherwise may not claim any time extension in that connection.

6.4 Notices. Any notice, demand, or other communication required by this Agreement to be given by either party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid; sent by facsimile with confirmation of transmittal; or delivered personally,

(i) In the case of the Developer, to:

Sontejroh Corp.
1335 Lorraine Place
Schaumburg, Illinois 60173
Attn: Paul Zala and Nat Zala

tel: (630) 341-0120
fax: (630) 832-2880

With a copy to:

Fox, Johns, Lazar, Pekin & Wexler, APC
525 B Street, Suite 1500
San Diego, California 92101
Attn: George C. Lazar, Esq.

tel: (619) 595-7187
fax: (877)227-0150

(ii) In the case of the Municipality, to:

City of Mattoon
208 N. 19th Street
Mattoon, Illinois 61938-2838
Attn: City Administrator / Mayor

tel: (217) 235-5511
fax: (217) 258-6435

With a copy to the City Attorney:

City Attorney
208 N 19th Street
Mattoon, Illinois 61938
Attn: J. Preston Owen, Esq.

tel: (217) 258-7932
fax: (217) 258-6435

or to such other address with respect to either party as that party may, from time to time, designate in writing and forwarded to the other as provided in this Section.

6.5 Conflict of Interest. No member of the City Council or any branch of the Municipality's government who has any power of review or approval of any of the Developer's undertakings, or of the Municipality's contracting for goods or services for the Development Property, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested or otherwise in violation of and otherwise in compliance with Section 11-74.4-4(n) of the TIF Act. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose in writing to the City Council the nature of such interest and seek a determination by the City Council with respect to such interest, and in the meantime shall not participate in any actions or discussions relating to the activities herein proscribed and otherwise in compliance with Section 11-74.4-4(n) of the TIF Act.

6.6 Insurance. The Developer shall cause there to be insurance as hereinafter set forth at all times during the process effecting, acquiring, constructing and installation Redevelopment Activities or the Development under this Agreement and shall provide the Municipality with a certificate of insurance naming the Municipality, its Governing Body, officials, agents, employees, and independent contractors as additional insureds on;

(i) Builder's risk insurance, written on the so called "**Builder's Risk — Completed Value Basis**," in an amount equal to one hundred percent (100%) of the insurable value of any construction work at the date of completion, and with coverage available in non-reporting form on the so called "**all risk**" form of policy;

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an owner's contractor's policy, with limits against bodily injury and property damage of not less than Three Million Dollars (\$3,000,000) for each occurrence (to accomplish the above required limits, an umbrella excess liability policy may be used); and

(iii) Worker's compensation insurance, with statutorily required coverage.

The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content satisfactory to the Municipality and shall be placed with financially sound and reputable insurers licensed to transact business in the State of Illinois. The policy of insurance delivered pursuant to clause (i) above shall contain the agreement of the insurer to give not less than thirty (30) days advance written notice to the Municipality in the event of cancellation of such policy or change affecting the coverage thereunder.

6.7 Inspection. Prior to the completion of the Redevelopment Activities, the Developer shall allow authorized representatives of the Municipality access to the Development Property from time to time for reasonable inspection thereof upon reasonable advance notice.

6.8 Choice of Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the internal laws of the State of Illinois for all purposes and intents.

6.9 Entire Agreement; Amendment. The parties agree that this Agreement now constitutes the entire agreement between the parties. The Redevelopment Agreement dated August 17, 2007 between the parties, as approved by Ordinance No. 2007-5236, adopted August 7, 2007, is hereby discharged and released and replaced by this Agreement. This Agreement shall be effective when signed by the authorized officers of the parties, and shall be amended only by a writing signed by the authorized officers of the parties.

6.10 Counterparts. This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instrument.

6.11 Severability. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

6.12 Representatives Not Personally Liable. No official, agent, employee, independent contractor or representative of the Municipality shall be personally liable to the Developer in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party, or on any obligations under the terms of this Agreement.

6.13 Actions Contesting the Validity and Enforceability of the Redevelopment Plan. In the event a third party brings an action against the Municipality or the Municipality's Governing Body,

officials, agents, employees and representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Plan, the TIF Notes, this Agreement or the ordinances approving this Agreement or the TIF Notes, the Developer may at the Developer's option, assume the defense of such claim or action (including, without limitation, to settle or compromise any claim or action for which the Developer has assumed the defense) with counsel mutually acceptable to the Municipality and the Developer. The parties expressly agree that so long as no conflicts of interest exist between them, the same attorney or attorneys may simultaneously represent the Municipality and the Developer in any such proceeding. All cost of any such defense, whether incurred by the Municipality or the Developer, shall be deemed to be eligible Qualified Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to **Article IV** of this Agreement.

6.14 Release, Defense and Indemnification.

6.14.1 Notwithstanding anything herein to the contrary, the Municipality, its Governing Body, officials, attorneys, agents, employees and independent contractors shall not be liable to the Developer for damages of any kind or nature whatsoever or otherwise in the event that all or any part of the TIF Act, or any ordinance of the Municipality adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, shall be declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the Municipality is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof; provided that nothing in this paragraph shall limit claims by Developer against the Development Account of the Special Allocation Fund or actions by the Developer seeking specific performance of relevant contracts.

6.14.2 The Developer releases from and covenants and agrees that the Municipality and its Governing Body, officials, agents, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the Governing Body, officials, attorneys, agents, employees and independent contractors thereof against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the construction of the Development Project, except as such may be caused by the intentional conduct, gross negligence, negligence or other acts or omissions of the Municipality, its Governing Body, officials, agents, employees or independent contractors that are contrary to the provisions of this Agreement.

6.14.3 The Municipality and its Governing Body, officials, agents, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, independent contractors or employees or any other person who may be about the Development Property or Development Project due to any act of negligence of any person, except as such may be caused by the intentional misconduct, gross negligence, or acts or omissions of the Municipality, its Governing Body, officials, agents, employees, or independent contractors that are contrary to the provisions of this Agreement.

6.14.4 All covenants, stipulations, promises, agreements and obligations of the Municipality contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Municipality and not of any of its Governing Body, officials, attorneys, agents, employees or independent contractors in their individual capacities.

6.14.5 No member of the Governing Body, officials, attorneys, agents, employees or independent contractors of the Municipality shall be personally liable to the Developer (i) in the event of

a default or breach by any party under this Agreement, or **(ii)** for any amount or any TIF Notes which may become due to any party under the terms of this Agreement.

6.14.6 Notwithstanding anything herein to the contrary, the Municipality shall not be liable to the Developer for damages of any kind or nature whatsoever arising in any way from this Agreement, the TIF Notes or any other obligation or agreement made in connection therewith or from any breach thereof, or arising from a declaration by a final judgment by a court of competent jurisdiction that all or any portion of the Act is unconstitutional or that any ordinance of the Municipality adopted in connection with this Agreement, the Redevelopment Plan or the TIF Act is invalid or unconstitutional in whole or in part; provided that nothing in this paragraph shall limit claims by Developer against the Special Allocation Fund or actions by the Developer seeking specific performance of relevant contracts.

6.14.7 The Developer agrees to indemnify, defend and hold harmless the Municipality, its Governing Body, officials, agents, employees and independent contractors, from and against any and all suits, claims and cost of attorneys' fees, resulting from, arising out of, or in any way connected with **(i)** this Agreement or the TIF Notes (except contractual agreements or covenants undertaken by the Municipality outside of this Agreement or tax increment revenue obligations issued by the Municipality not authorized by this Agreement), including any opinions regarding their validity, **(ii)** the construction of the Development Project, and **(iii)** the negligence or willful misconduct of the Developer, its officials, agents, employees or independent contractors in connection with the management, development, redevelopment and construction of the Development Project, except as such may be caused by the intentional conduct, gross negligence, negligence or breach of this Agreement by the Municipality, its Governing Body, officials, agents, employees or independent contractors.

6.14.8 To the extent permitted by law, the Developer agrees to indemnify, defend, and hold harmless the Municipality, its Governing Body, officials, attorneys, agents, employees and independent contractors, from and against any and all claims, demands, costs, liabilities, damages or expenses, including attorneys' and consultants' fees, investigation and laboratory fees, court costs and litigation expenses, arising from: **(i)** any release or threat of a release, actual or alleged, of any hazardous substances, upon or about the Development Property or respecting any products or materials previously, now or thereafter located upon, delivered to or in transit to or from the Development Property regardless of whether such release or threat of release or alleged release or threat of release has occurred prior to the date hereof or hereafter occurs (and except where such release occurs as a result of any act, omission, negligence or misconduct of the Municipality); **(ii)** **(A)** any violation now existing (actual or alleged) of, or any other liability under or in connection with, any environmental laws relating to or affecting the Development Property, or **(B)** any now existing or hereafter arising violation, actual or alleged, or any other liability, under or in connection with, any environmental laws relating, to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Development Property, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen prior to the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises, as the result of any act, omission, negligence or misconduct of the Municipality or any third party or otherwise; **(iii)** any assertion by any third party of any claims or demands for any loss or injury arising out of, relating to or in connection with any hazardous substances on or about or allegedly on or about the Development Property; or **(iv)** any breach, falsity or failure of any of the representations, warranties, covenants and agreements of the like. For purposes of this paragraph, **"hazardous materials"** includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 *et seq.*), the Hazardous Materials Transportation Act, as

amended (49 U.S.C. §§ 1801 *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 9601 *et seq.*), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule, or regulation.

6.14.9. In the event litigation or other proceedings are threatened or commenced against the Municipality related to the designation of the Redevelopment Area as a redevelopment project area under the TIF Act or the approval of the Redevelopment Plan or Redevelopment Project for the Redevelopment Area or the adoption of TIF for the Redevelopment Area, the Developer hereby covenants and agrees to undertake the defense of any such litigation or other proceedings. The Municipality will cooperate with the Developer in connection with any such defense. All costs of such defense, including attorneys fees, disbursements and costs, shall be additional Qualifying Project Costs under this Agreement, and when incurred shall constitute a prior claim, pledge or lien against Available Revenues and all other TIF Revenues not subject at the time to any prior claim, pledge or lien, including but not limited to any debt service payments on any TIF Notes.

6.15 Covenant to Comply with Applicable Laws. The Developer hereby warrants and covenants that in performing the Development Project it will comply with all applicable laws.

6.16 Recordable Memorandum. The Developer may record a memorandum of this Agreement in the office of the Coles County Recorder within one day of its execution and delivery, and the agreements and covenants contained herein shall be a covenant running with the land.

6.17 Survival. Notwithstanding the expiration, termination or breach of this Agreement by either party, the agreements contained in **Article VI, Sections 3.9 (as to the certification), 6.3, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.18 and Article VIII** of this Agreement shall, except as otherwise expressly set forth herein, survive such expiration, termination or breach of this Agreement by either party.

6.18 Term. This Agreement shall be in effect upon its execution by the Municipality and the Developer and shall terminate at the end of the longest period provided for by the TIF Act or otherwise applicable law, unless otherwise earlier terminated by the provisions hereof.

ARTICLE VII. REPRESENTATIONS OF THE PARTIES

7.1 Representations of the Municipality. The Municipality hereby represents and warrants that the Municipality has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary Municipality proceedings, findings and actions. Accordingly, this Agreement constitutes legal, valid and binding obligations of the Municipality, enforceable in accordance with its terms.

7.2 Representations of the Developer. The Developer hereby represents and warrants that the Developer has full lawful power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes legal, valid and binding obligations of the Developer, enforceable in accordance with its terms.

IN WITNESS WHEREOF, the Municipality and the Developer have caused this Agreement to be executed in their respective names and caused their respective seals to be affixed thereto and attested as to the date first above written.

[This page may be executed in counterparts.]

“MUNICIPALITY”:

CITY OF MATTOON, ILLINOIS

(SEAL)

By_____

—

Mayor

Attest:

_____,
City Clerk

“DEVELOPER”:

SONTEJROH CORP.

By_____

—

Its_____

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF COLES)

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public,
appeared _____

David W. Cline and Susan O'Brien, to me personally known, who, being by me duly sworn, did say that they are the Mayor and the City Clerk, respectively, of the CITY OF MATTOON, ILLINOIS, a body politic and corporate duly authorized, incorporated and existing under and by virtue of the laws of the State of Illinois, and that the seal affixed to the foregoing instrument is the corporate seal of such Municipality, and that such instrument was signed and sealed in behalf of the Municipality by authority of its City Council, and said officials acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of such Municipality.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public

(SEAL)

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public, appeared _____, to me personally known, who, being by me duly sworn, did say that (s)he is _____ of Sontejroh Corp., an Illinois corporation duly authorized, established and existing under and by virtue of the laws of the State of Illinois, and that such instrument was signed and sealed in behalf of such limited liability company by authority of its members, and such officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said limited company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public

(SEAL)

EXHIBIT A

Legal Description of the Development Property

Commencing at the Northwest Corner of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section Two (2), Township Eleven (11) North, Range Seven (7) East of the Third Principal Meridian; thence South 89 degrees 43 minutes 50 seconds east along North line of said Section, a distance of 508.00 feet; thence South 2 degrees 19 minutes 43 seconds East 350 feet to the point of beginning; thence South 2 degrees 19 minutes 43 seconds East 515 feet; thence South 89 degrees 43 minutes 50 seconds East 487.5 feet to the West right-of-way line of U. S. Route 45; thence North 2 degrees 19 minutes 43 seconds West 515 feet along the West right-of-way line of U. S. Route 45; thence North 89 degrees 43 minutes 50 seconds West 487.5 feet to the point of beginning, situated in Coles County, Illinois, together with an easement for purposes of ingress and egress over and across the following described premises:

Commencing at the Northwest Corner of the Northeast Quarter (NE 1/4) of the Northeast Quarter Northeast (NE 1/4) of Section Two (2), Township Eleven (11) North, Range Seven (7) East of the Third Principal Meridian; thence South 89 degrees 43 minutes 50 seconds East along the North line of said Section, a distance of 660.5 feet to the point of beginning; thence South 2 degrees 19 minutes 43 seconds East 350 feet; thence South 89 degrees 43 minutes 50 seconds East 60 feet; thence North 2 degrees 19 minutes 43 seconds West 350 feet; thence North 89 degrees 43 minutes 50 seconds West 60 feet to the point of beginning, situated in Coles County, Illinois.

EXHIBIT B

Certificate of Substantial Completion

The undersigned is the _____ of Sontejroh, the Architect/Engineer for the Project, including the Redevelopment Activities, carried out by Sontejroh Corp., (the “**Developer**”), in accordance with the terms of that certain Redevelopment Agreement dated as of _____, 2009 (the “**Agreement**”) between the Developer and the City of Mattoon, Illinois (the “**Municipality**”) in the South Route 45 Redevelopment Project Area.

The undersigned hereby certifies to the Developer and the Municipality that: (a) the implementation of **[all/a functional portion]** of the Redevelopment Activities[, **which functional portion is described in the following paragraph,**] has been reviewed and found to be substantially complete; (b) **[all/such functional portion]** of the improvements associated with the Redevelopment Activities have been constructed in a workmanlike manner and in accordance with the Development Plans (as those terms are defined in the Agreement); (c) lien waivers for applicable portions of such improvements have been obtained; and (d) the date of substantial completion of **[all/such functional portion]** of the Redevelopment Activities is the date of this Certificate.

The functional portion of the Redevelopment Activities consists of:

In witness whereof, the undersigned has duly executed this Certificate on the _____ day of _____, _____.

[NAME OF PROJECT ARCHITECT/ENGINEER]

(SEAL)

By: _____

Title: _____

Attest:

ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, _____, before me, the undersigned, a Notary Public, appeared _____, who being before me duly sworn did say that he is the _____ of _____ [name of project architect/engineer], a _____, and that said instrument was authorized by and signed on behalf of said _____, and said _____ acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said _____.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Printed Name: _____
Notary Public in and for said State
Commissioned in _____ County

(SEAL)

My commission expires: _____

EXHIBIT C

Certificate of Qualified Project Costs

TO: City of Mattoon, Illinois

RE: Up to \$750,000 TIF Obligations / Redevelopment Agreement (Sontejroh Corp.)

You are hereby notified that in accordance with Ordinance No. 2009-5282 adopted on October 14, 2009 (the “**Ordinance**”), of the City of Mattoon, Illinois (the “**Municipality**”), and that certain Redevelopment Agreement (the “**Agreement**”) dated as of November 1, 2009, by and between Sontejroh Corp. (the “**Developer**”) and the Municipality, that the **Developer** has incurred the following Qualified Project Costs:

<u>Payee</u>	<u>Amount</u>	<u>Description of Qualified Project Costs</u>
--------------	---------------	---

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

The undersigned hereby states and certifies that:

1. Each item listed above is a Qualified Project Cost and was incurred in connection with the acquisition, construction, and installation of the Development Project. Attached to this Certificate is supporting documentation of the nature and amount of each Qualified Project Cost submitted herein.

2. The(se) Qualified Project Cost(s) has/have been incurred by the **Developer** and are presently due and payable or have been paid by the **Developer** and are payable or reimbursable under the Agreement.

3. Each item listed above has not previously been paid or reimbursed from moneys in the Special Allocation Fund and no part thereof has been included in any other certificate previously filed with the Municipality.

4. There has not been filed with or served upon the **Developer** any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Redevelopment Activities on the Development Project for which this certificate relates have been issued and are in full force and effect.

6. All Redevelopment Activities for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with, the Development Plans, the Concept Site Plan and the Agreement.

7. In the event that any cost item to be paid or reimbursed under this certificate is deemed to not constitute a “*development project cost*” within the meaning of the TIF Act and the Redevelopment Agreement, the **Developer** shall have the right to substitute other eligible Qualified Project Costs for payment hereunder.

8. The costs to be paid or reimbursed under this certificate constitute advances qualifying for payment or issuance of or draw upon a **TIF Note**.

9. The following shows: (i) the line item under the Redevelopment Plan for each Qualified Project Cost identified above and the beginning line item balance; (ii) the amount of each such Qualified Project Cost identified above; and (iii) the line item balance after giving effect to the payment of such Qualified Project Costs.

<u>(i) Line Item under the Plan</u>	<u>And</u> <u>Beginning Line Item Balance</u>	<u>(ii) Amount of</u> <u>Qualified Project Cost</u>	<u>(iii) Ending Line Item Balance</u>
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10. The Developer is not in default or breach of any term or condition of the Agreement.

Dated this _____ day of _____, _____.

By: _____
Printed Name: _____
Title: _____

Approved for Payment this _____ day of _____, _____.

CITY OF MATTOON, ILLINOIS

By: _____
Title: _____

EXHIBIT D
Concept Site Plan



EXHIBIT E**Redevelopment Activities/Qualified Project Costs**

	DEVELOPER'S REDEVELOPMENT ACTIVITIES/ QUALIFIED PROJECT COSTS	AMOUNT
A.	Development Property Acquisition	\$ 630,000
B.	Hotel Renovation	2,019,100
C.	F F & E	783,450
D.	Construction Management	215,000
E.	Construction Contingency	360,000
F.	Design / Legal / Other Soft Costs	202,460
G.	Interest Subsidy / Reserve	270,000
H.	Franchise Fees	20,000
	TOTAL OF DEVELOPER'S QUALIFIED PROJECT COSTS	\$ 4,500,100

	MUNICIPALITY'S DIRECT REDEVELOPMENT ACTIVITIES/ QUALIFIED PROJECT COSTS*	AMOUNT
A.	N/A	
B.	N/A	
C.	N/A	
D.	N/A	
	TOTAL OF MUNICIPALITY'S QUALIFIED	-0-

	MUNICIPALITY'S DIRECT REDEVELOPMENT ACTIVITIES/ QUALIFIED PROJECT COSTS*	AMOUNT
	PROJECT COSTS	

EXHIBIT F

**REGISTERED
NO. -__- (____)**

NON-NEGOTIABLE

**REGISTERED
\$ _____
Maximum
Aggregate
Principal Amount**

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE COUNTY OF COLES
CITY OF MATTOON**

**TAX INCREMENT REDEVELOPMENT REVENUE NOTE
[SOUTH ROUTE 45 REDEVELOPMENT PROJECT AREA]
SERIES 200__**

INVESTMENT IN THIS NOTE IS SPECULATIVE AND INVOLVES A VERY HIGH DEGREE OF RISK. THIS NOTE MAY BE TRANSFERRED ONLY AS A WHOLE AND NOT IN PART. THIS NOTE INCLUDES THE ATTACHED "SCHEDULE OF ADVANCES" AND "PAYMENT SCHEDULE". THE HOLDER OF THIS NOTE AND ANY PROSPECTIVE TRANSFEREE MUST CONTACT THE PAYING AGENT FOR THIS NOTE TO CONFIRM PAYMENT STATUS. THE PAYMENT SCHEDULE MAY NOT REFLECT CURRENT PAYMENT STATUS. THIS NOTE IS SUBJECT TO A CONDITION HEREIN THAT ANY INSUFFICIENT COVERAGE OF INCREMENTAL TAXES IS NOT A DEFAULT OR AN EVENT OF DEFAULT.

Interest Rate:

4.00%

Maturity Date:

**Variable (_____, 20__,
but not to exceed 20 years
with respect to any specific
Draw) – See Schedule of
Advances**

Dated Date:

**Variable – See Schedule
of Advances**

Registered Owner:

Maximum Aggregate Principal Amount:

KNOW ALL BY THESE PRESENTS, that the City of Mattoon, Coles County, Illinois (the “**Municipality**”), hereby acknowledges itself to owe and for value received promises to pay from the source and as hereinafter provided to the Registered Owner identified above, or registered assigns as hereinafter provided, up to the Maximum Aggregate Principal Amount identified above (to the extent drawn as shown on the attached Schedule of Advances and outstanding and unpaid) and to pay interest (subject to limitations and restrictions hereinafter stated) on the outstanding principal balance (as shown on the attached Schedule of Advances) of such Maximum Aggregate Principal Amount (the “**Principal Amount**”) from the first advance shown on the Schedule of Advances and from the date or dates of each subsequent advance as shown on such Schedule of Advances (or from the most recent interest payment date to which interest has been paid, as the case may be) at the Interest Rate per annum set forth above, commencing the first December 15 following at least twelve (12) months from the date of the first draw hereon, and on each December 15 thereafter until such Principal Amount is paid, except as the provisions hereinafter set forth with respect to prepayment and the application of Available Revenues (defined below), pursuant to the Redevelopment Agreement dated as of November 1, 2009 (with respect to which undefined terms herein shall have the meanings therein, the “**Redevelopment Agreement**”) by and between the Municipality and Sontejroh Corp., an Illinois corporation (the “**Developer**”), are and become applicable hereto. All principal and interest payments, if any, shall be made on December 15 of each year, commencing the first December 15 following at least twelve (12) months from the date of the first draw hereon. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft of the Municipality upon the debt service subaccount of the Development Account. The transmittal of such a check or draft shall specify the principal component (in integral multiples of \$0.01) and interest component of such a payment. Such payment of principal and interest shall be made to the Registered Owner hereof on the registration books of the Municipality, maintained by the City Treasurer as registrar (“**Registrar**”, and who also shall be the paying agent, the “**Paying Agent**”), at the close of business on the fifth (5th) day of the calendar month of the applicable payment date and shall be paid by check or draft of the Municipality mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar. The Registrar shall not authenticate this Note until the Registered Owner and/or any pledgee, as the case may be, shall sign the Acceptance below.

THE FAILURE TO PAY THE PRINCIPAL OF AND INTEREST ON THIS NOTE WHEN DUE SOLELY BECAUSE OF AN INSUFFICIENCY OF AVAILABLE REVENUES SHALL NOT BE AN EVENT OF DEFAULT HEREUNDER OR UNDER THE REDEVELOPMENT AGREEMENT, A CONDITION AND RISK TO WHICH THE OWNER/HOLDER HEREOF BY THE ACCEPTANCE OF THIS NOTE IRREVOCABLY ASSENTS.

This Note is an obligation issued pursuant to the Tax Increment Allocation Redevelopment Act (Section 5/11-74.4-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes,

the “**TIF Act**”), as supplemented and amended (the “**Act**”), and under the Redevelopment Agreement and the principal of and interest on this Note are payable, if at all, and not otherwise, solely and only from Available Revenues in connection with a specified part (the “**Development Property**”) of the Redevelopment Project Area, established under the Act, and as provided in and subject to the limitations provided in the Redevelopment Agreement pursuant to which the Municipality is issuing this Note. In connection with this Note, the term “**Available Revenues**” means incremental property taxes under Section 11-74.4-8 of the TIF Act in the percentage specified in the Redevelopment Agreement, derived solely and only from the Development Property, and not otherwise. This Note is being issued for the purpose of financing certain qualifying redevelopment project costs as set forth as “**Qualified Project Costs**” in the Redevelopment Agreement and the Act. The Registered Owner by the acceptance of this Note assents to all the provisions of this Note and the Redevelopment Agreement. This Note, together with the interest hereon, is the special, limited obligation of the Issuer, payable solely from Available Revenues available therefor, and not otherwise. For the payment of this Note, both principal and interest, as aforesaid, if at all, on the due dates thereof, such Available Revenues specified in the Redevelopment Agreement are hereby pledged.

THIS NOTE DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NO HOLDER OF THIS NOTE SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE GENERAL TAXING POWER OF THE MUNICIPALITY, THE STATE OF ILLINOIS OR ANY OTHER POLITICAL SUBDIVISION THEREOF, FOR PAYMENT OF PRINCIPAL HEREOF OR INTEREST HEREON.

Under the Act and the Redevelopment Agreement, the Available Revenues shall be deposited in the debt service subaccount of the Development Account of the Municipality's Special Tax Increment Allocation Fund (the “**TIF Fund**”) for the Redevelopment Project Area. Moneys on deposit in such debt service subaccount of the TIF Fund shall be applied to the payment of debt service on this Note as provided by the terms of the Redevelopment Agreement.

The holder of this Note, including as a pledgee, as the case may be, as authorized pursuant to the Redevelopment Agreement, hereby represents, warrants and certifies, as follows:

(1) No sale or transfer by the holder of this Note will result in a violation of the Securities Act of 1933, the Securities Exchange Act of 1934, any rules or regulations promulgated under either act, or the applicable securities laws of any other authority having jurisdiction in connection therewith. This Note has not been registered under any federal or state securities act, law or regulation.

(2) The holder is aware that this Note is a special and limited obligation and does not represent a general obligation of the City of Mattoon, the State of Illinois or of any political subdivision thereof but is payable solely from Available Revenues derived under and in respect of the Redevelopment Agreement pursuant to which this Note is issued. Undefined terms herein shall have the meanings given them in the Redevelopment Agreement. Neither the Municipality nor any other person has made any representations concerning the realization of Available

Revenues. The initial holder of this Note made or arranged all computations, forecasts and projections as to the receipt of Available Revenues.

(3) The holder has, through its attorneys, agents and employees, investigated the public and private facilities and real property constituting the Development Project and the parts thereof to be financed with the proceeds of this Note and the allowable Qualified Project Costs. The holder acknowledges that it has through its counsel, advisors and consultants participated in the drafting of the underlying documents in connection with this transaction, and has investigated the Act, the Redevelopment Plan, the Redevelopment Agreement, the Redevelopment Project and the Municipality, and all requested information relating thereto as well as such other information as it deems necessary or appropriate as prudent and knowledgeable investor in evaluating this investment. The holder acknowledges that the Municipality has made available to such holder and the holder's representatives the opportunity to obtain additional information and the opportunity to ask questions of and receive satisfactory answers concerning it and the Redevelopment Plan, the Redevelopment Project, the Redevelopment Agreement and the nature and source of Available Revenues. Reaching the conclusion that the holder desires to acquire this Note (or to accept it as collateral) it has carefully evaluated all risks associated with this investment and acknowledges that it is able to bear the economic risks of this investment. The holder is, by reason of its knowledge and experience in financial and business matters in general and real estate transactions in particular, capable of evaluating the merits and risks of the investment in this Note (or accepting it as collateral).

(4) The holder has reviewed and approved all documents in connection with this transaction, including the Redevelopment Plan, the Redevelopment Agreement, the eligibility of Qualified Project Costs to be financed with proceeds of this Note and all other related documents, certificates and opinions.

(5) The Municipality has made no representation or warranty concerning the forecasts and projections of Available Revenues, nor has it represented or warranted as to the correctness of any statements or representations made or materials furnished by or on behalf of any planning consultant related to the Redevelopment Plan, the Redevelopment Project, or the Development Project or any other person in connection with this investment.

(6) The holder has received all information which it has requested with respect to the Redevelopment Plan and the Redevelopment Project, the Available Revenues and the Redevelopment Agreement necessary in order to purchase this Note or accept it as collateral, and all other information relating thereto which it has requested has been furnished to it.

(7) The holder hereby covenants and agrees to make available to any prospective purchaser or purchasers of this Note from it such information as is necessary or appropriate in the opinion of counsel to enable such prospective purchaser or purchasers to make an informed investment decision with respect hereto, and in general to conduct any resale of this Note by the holder to others as if the requirements of Regulation D under the Securities Act of 1933, as amended, were applicable thereto.

(8) The initial holder has accepted this Note and all other documents in

connection with the purchase of this Note as an inducement to the Municipality to issue this Note.

(9) Each and every provision of this Note shall be binding upon the holder and its successors and assigns, including any pledgee.

(10) This Note is transferable by the registered owner hereof, but only with the consent of the Municipality, and not otherwise in person or by such owner's attorney duly authorized in writing at the principal office of the Registrar in Mattoon, Illinois, but only in the manner, subject to the limitations and upon payment of any charges imposed by law, and upon surrender and cancellation of this Note. Upon such transfer a new Note with the same terms will be issued to the transferee in exchange therefor. The Note is to be issued in Maximum Aggregate Principal Amount not to exceed the dollar amount specified on the first page hereof in fully registered form in the denomination of \$0.01 or authorized integral multiples thereof.

(11) Notwithstanding any other provision of this Note or the Redevelopment Agreement to the contrary, expressly or by inference or implication, certain limiting and restricting provisions of this Note are as follows:

(a) The Municipality and the Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the Municipality nor the Registrar shall be affected by any notice to the contrary.

(b) This Note is subject to mandatory prepayment on December 15 of each year, commencing the first December 15 following at least (12) months from the date of the first draw hereon, in any integral multiple of \$0.01, without premium, to the extent of Available Revenues on deposit in the debt service subaccount of the Development Account of the TIF Fund, if at all, and not otherwise.

ANY FAILURE TO PAY PRINCIPAL OR INTEREST WHEN DUE SOLELY BY REASON OF INSUFFICIENCY OF AVAILABLE REVENUES IN THE TIF FUND SHALL NOT CONSTITUTE AN EVENT OF DEFAULT IN CONNECTION WITH THIS NOTE.

(c) This Note is also subject to prepayment at the option of the Municipality in whole or in part, from any available funds therefor, at any time, in any integral multiple of \$0.01, with not less than 10 days notice by the Municipality to the registered owner hereof plus accrued interest on such principal amount being so redeemed to the date fixed for prepayment. Written notice of prepayment in whole or in part of this Note shall be given by the Municipality to the registered owner or owners hereof by first class mail to the address shown on the registration books of the Municipality maintained by the Registrar or at such other address as is furnished in writing by the registered owner to the Registrar. The date of the mailing of such notice shall be not less than ten (10) days prior to such prepayment date, and when this Note or any portion thereof shall have been called for prepayment and payment made or provided for by setting aside funds in a

segregated account therefor, interest hereon shall cease from and after the date so specified.

(12) The rights and obligations of the Municipality and of the Registered Owner of this Note may be modified or amended only with the consent of the Municipality and of the Registered Owner of this Note.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note did exist, have happened, been done and performed in regular and due form and time as required by law, and the Municipality hereby covenants and agrees that it has made provision for the segregation of the Available Revenues under the Redevelopment Agreement and that it will properly account for such Available Revenues and will comply with all the covenants of and maintain the funds, accounts and subaccounts as provided by the Indenture.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar and the acceptance shall have been signed by the Registered Owner and/or pledgee or assigns, as the case may be.

IN WITNESS WHEREOF, the City of Mattoon, Coles County, Illinois, by its City Council, has caused this Note to be signed by the manual signatures of the its Mayor and City Clerk, and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

(SEAL)

Mayor

City Clerk

Registrar: City Treasurer
City of Mattoon
208 N. 19th Street
Mattoon, Illinois 61938

CERTIFICATION OF AUTHENTICATION

Date of Authentication: _____

This Note is the "Tax Increment Redevelopment Revenue Note [South Route 45 Redevelopment Project Area] Series 20____ described in the within mentioned Redevelopment Agreement by and between the City of Mattoon, Coles County, Illinois and Sontejroh Corp., an Illinois corporation, as the Developer.

City Treasurer

ACCEPTANCE

The Registered Owner of this Note hereby accepts each term and provision of this Note and the Redevelopment Agreement and assents to each such term and provision hereof and thereof.

Dated: _____

By: _____

Registered Owner (or and
Pledgee) Authorized Signature

Tax

I.D.:

ASSIGNMENT

FOR VALUE RECEIVED, and with the Municipality's consent the undersigned sells,
assigns and transfers unto

(Name, Address and F.E.I.N. or Social Security Number of Assignee)
the within Note and does hereby irrevocably constitute and
appoint _____

_____ attorney to transfer the within
Note on the books kept for registration thereof with full power of substitution in the premises.
The transferee is hereby advised that this Assignment shall not be complete unless and until an
Acceptance in the form above is signed by the Transferee.

Dated: _____

Signature

Signature guaranteed: _____

CONSENT

The Municipality's consent to the above Assignment is made this ____ day of _____,
_____, by authority of the City Council.

Mayor

SCHEDULE OF ADVANCES AND PAYMENTS

This Note is valid to the amount set forth below, the aggregate of such amounts outstanding and unpaid from time to time not to exceed the Maximum Principal Aggregate Amount (subject to reduction for any installment payments as provided in the Note).

[illegible]

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